

An Ordinance

NO. 15010

ORDINANCE AMENDING AN ORDINANCE AUTHORIZING ISSUANCE OF EQUIPMENT TAX NOTES

THE STATE OF TEXAS:
COUNTIES OF TARRANT AND DENTON:
CITY OF FORT WORTH:

WHEREAS, the City of Fort Worth, Texas (the "City") is a home-rule municipality having a total population of at least 50,000 according to the last preceding federal census, and was organized, created and established pursuant to the Constitution and laws of the State of Texas; and

WHEREAS, the City Council is authorized pursuant to Chapter 1431, Texas Government Code, to issue anticipation notes for specified purposes, including, without limitation, to pay a contractual obligation incurred or to be incurred for the purchase of materials, supplies, equipment, machinery, buildings, lands, and rights-of-way for an issuer's authorized needs and purposes; and

WHEREAS, Section 1431.003, Texas Government Code, grants to the City Council the ability to exercise the authority granted to the governing body of an issuer with regard to the issuance of obligations under Chapter 1371, Texas Government Code; and

WHEREAS, on September 28, 1999, the City Council adopted Ordinance No. 13954, "Authorizing Issuance of Equipment Tax Notes", in an aggregate principal amount not to exceed \$20,000,000 at any one time outstanding (the "1999 Ordinance"); and

WHEREAS, all defined terms as used in this Ordinance shall have the meaning given said terms in the 1999 Ordinance; and

WHEREAS, there are currently \$3,297,619.05 in principal amount of Notes outstanding under the terms of the 1999 Ordinance; and

WHEREAS, the 1999 Ordinance provides that a Note issued under the terms of the 1999 Ordinance must mature before the seventh anniversary of the date the Attorney General of the State of Texas approved the Initial Notes issued pursuant to the 1999 Ordinance; and



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WHEREAS, Section 8 of the 1999 Ordinance provides that the City at any time may adopt an ordinance to extend the Maximum Maturity Date, provided, that any such ordinance shall be submitted to the Office of the Attorney General of Texas for the approval thereby, unless no longer required by law;

WHEREAS, the City Council deems it in the best interest of the City to amend the 1999 Ordinance to extend the Maximum Maturity Date.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

Section 1. That the definition of Maximum Maturity Date is hereby amended to mean the later of (i) the date that is the day before the seventh anniversary of the date that the Attorney General of the State approves this Ordinance amending the 1999 Ordinance or (ii) such date as is established pursuant to Section 8 of the 1999 Ordinance.

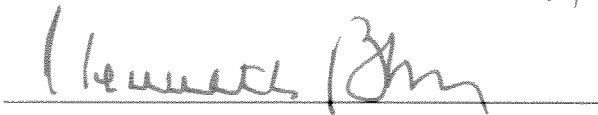
Section 2. The Director of Finance is hereby authorized to submit this Ordinance and other relevant proceedings to the Public Finance Division of the Office of the Attorney General for the purpose of obtaining an opinion approving this Ordinance and the extension of the Maximum Maturity Date as herein provided.

Section 3. That the 1999 Ordinance, as amended by this Ordinance, remains effective in all other respects.

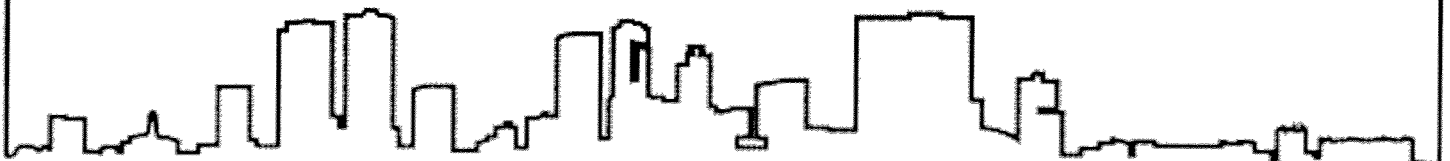
Section 4. That it is officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended. All of the City Councilmembers were present when this Ordinance was passed, and this Ordinance was approved by a vote of 9 Yeas, 0 Nays, 0 Absent When Voting.

Section 5. That this Ordinance shall take effect and be in full force and effect from and after the date of its passage, in accordance with the provisions of Section 2 of Chapter 25 of the Charter of the City, and it is accordingly so ordained.

SIGNED AND SEALED THIS 19 DAY OF MARCH, 2002.



Mayor,
City of Fort Worth, Texas



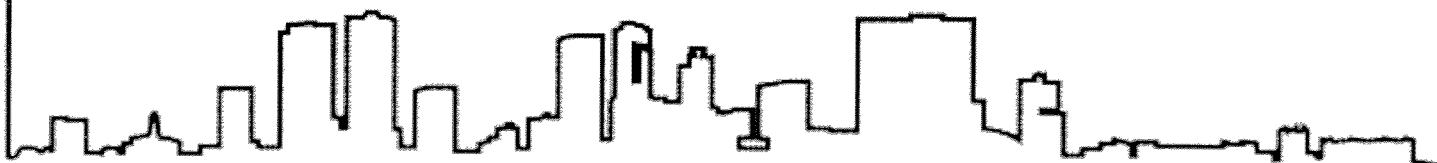
CITY OF FORT WORTH

Gloria Pearson
City Secretary

(SEAL)

APPROVED AS TO FORM AND LEGALITY:

David L. Yates
City Attorney



CITY OF FORT WORTH

City of Fort Worth, Texas

Mayor and Council Communication

DATE 3/19/02	REFERENCE NUMBER **G-13549	LOG NAME 13NOTES	PAGE 1 of 2
SUBJECT	ADOPT AMENDMENT TO ORDINANCE NO. 13954 AUTHORIZING THE ISSUANCE OF EQUIPMENT TAX NOTES		

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance amending Ordinance No. 13954, which approved and authorized the Equipment Note Program and which was approved by the Public Finance Division of the Office of the Attorney General, to re-establish the maximum maturity of the notes to be issued under the Equipment Note Program.

DISCUSSION:

On February 9, 1999 (M&C G-12462), the City Council authorized setting forth the outline of an Equipment Note Program to provide a vehicle for financing primarily the purchase of fire apparatus. On September 28, 1999 (M&C G-12681), the City Council adopted Ordinance No. 13954 authorizing the establishment of an Equipment Note Program by identifying the paying agent/registrar for these notes. The City Manager, any Assistant City Manager, and the Finance Director were authorized from time-to-time to sell notes secured by ad valorem taxes in a total amount not to exceed \$20,000,000. Ordinance No. 13954 was submitted to the Public Finance Division of the Office of the Attorney General and approved by that office, as required by law.

Under the terms of Ordinance No. 13954, any notes issued must mature before the seventh anniversary of the date the Attorney General of the State of Texas approved the initial notes. However, Section 8 of Ordinance No. 13954 provides that the City, at any time, may adopt an ordinance to extend the maximum maturity date, subject to approval by the Attorney General. Since the City has issued notes in 2000 and 2001, this means that the City may only issue notes in 2002 with a five-year maximum maturity, unless Ordinance No. 13954 is amended to re-establish the maximum maturity of seven years. The City Council amended M&C G-12462 on December 11, 2001, and must now amend Ordinance No. 13954 for submittal to the Attorney General.

Staff, in conjunction with the City's financial advisors, recommends that the maximum maturity be extended to seven years to manage debt service needs more effectively.

FISCAL INFORMATION/CERTIFICATION:

The Finance Director certifies that upon adoption of the attached ordinance, funds will be available in the General Debt Service Fund to make any debt service payments on equipment notes issued under terms of the ordinance.

CB:k

Submitted for City Manager's Office by:		FUND	ACCOUNT	CENTER	AMOUNT	CITY SECRETARY APPROVED 03/19/02 ORD.# 15010
		(to)				
Charles Boswell 8511		GD06	551010	0132000		
		GD06	552010	0132000		
Originating Department Head:						
Jim Keyes 8517						
		(from)				
Additional Information Contact:						
Skipper Shook 8519						